

M/04710103  
cc: Leslie

MICHAEL S. LEE  
UTAH

SPENCER F. STOKES  
CHIEF OF STAFF

## United States Senate

WASHINGTON, DC 20510-4404

### COMMITTEES:

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ENERGY AND  
NATURAL RESOURCES

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COMMITTEE

November 28, 2011

*Via Electronic Mail ([ddean@utah.gov](mailto:ddean@utah.gov))*

RECEIVED E-Mail  
NOV 28 2011  
Div. of Oil, Gas & Mining

Ms. Dana Dean, P.E.,  
Associate Director Mining  
Division of Oil, Gas and Mining  
1594 West North Temple  
Suite 1210  
PO Box 145801  
Salt Lake, City, UT 84114-5001

Re: Comments Red Leaf Resources Application for Large Mining Operations in Utah,  
M/047/0103

Dear Ms Dean:

As I am sure you are aware, the United States economy depends on affordable and available supplies of energy to protect the quality of life we have come to appreciate and which the world seeks to emulate. Recent attention has focused on the price of energy, but the current global competitive environment for energy resources dictates that we must focus on assuring long-term adequate supply. Global demand for energy and fuels is increasing at an unprecedented rate as emerging economies seek to improve their quality of life and grow domestic production. The greater our domestic supply, the more prepared the United States will be to provide for our national security and mitigate the challenges of an increasingly competitive global market.

The United States is home to vital resources that must be developed and can be produced through environmentally sustainable practices. In fact, the Energy Policy Act of 2005 delineates federal policy supporting the development of unconventional fuels. Specifically, Section 369 of the Energy Policy Act of 2005 recognizes the importance of moving oil shale development forward to meet national energy needs and improve domestic energy security.

Oil shale is uniquely important to the national and energy security of the United States because it represents the largest hydrocarbon resource on earth. There are some who wish to avert attention from this valuable resource and impede its development. This is not in the interest of our nation or its citizens. In the Energy Policy Act of 2005, the President and the Congress of the United

States declared that unconventional fuels, including oil shale, *"are strategically important resources that should be developed to reduce the growing dependence of the United States on politically and economically unstable sources of foreign oil imports"*.

Oil shale development can also be a source of much needed employment. As with other oil and gas industry developments, it is a source of high paying employment. Even in the current negative employment environment in the United States, it is estimated that commercial oil shale development can create hundreds of immediate high-paying direct jobs with long-term projections of more than 20,000 high-paying direct jobs.

I commend Red Leaf Resources and other private interests that have diligently pursued development of the oil shale resources in Utah. I also appreciate that Utah has established rules and procedures through the Utah Division of Oil, Gas and Mining that allow for a streamlined process for environmental review and evaluation of projects. Regulatory comprehension and certainty are critical to providing the opportunity to deliver on the promise of great domestic energy production.

Red Leaf Resources is a Utah based company using a proprietary technology developed in Utah. Red Leaf Resources intends to use this technology to produce shale oil from properties leased from the Utah School and Institutional Trust Lands. Thus, Red Leaf Resources is not only poised to deliver the benefits of new oil production, but also to deliver significant revenues to Utah schools.

With rising energy demand and increased economic uncertainty, markets for conventional oil products are likely to remain tight, resulting in the continuation of higher prices for these resources. This, coupled with technological advances within the oil shale industry, contributes favorably to the economics of oil shale production and further demonstrates the necessity of developing these resources.

The opportunity to commercially produce oil shale using a domestically developed, environmentally friendly technology is unprecedented in Utah. It can provide long-term jobs to the state and sustained economic benefits. Moreover, it will be a critical step in meeting the economic and energy needs of our nation. I urge you to expeditiously finalize the permit for Red Leaf Resources so that timely production of resources can be realized.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mike Lee", written over a horizontal line.

Sen. Mike Lee